



ASX ANNOUNCEMENT



13 APRIL 2018

AUTHIER PROJECT PRESENTATION TO KEY STAKEHOLDERS & PERMITTING UPDATE

Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce that the Company held information sessions to present the Authier Lithium Project to local stakeholders.

Two presentation evenings, including one in the La Motte Municipality where Authier is located, and a second in Pikogan to present the project to the members of the Abitibiwinni First Nation, where undertaken in accordance with the Mining Act guidelines. The objective of these meetings was to present the Authier project development plan, strategies for protecting the environment, employment and contract opportunities, and to outline the potential economic benefits to the community. Community concerns are being addressed and implemented in the ongoing development plans.

In addition, the Company has an active communication strategy and has been engaging with the broader community outside the immediate project area. Meetings have been held with regional councils, other mining companies successfully operating in the region, Government organisations, and other key business stakeholders in the region.

A high level focus in the meeting was outlining the Company's plans for the protection of the environment. The Company has commissioned a number of studies to examine whether the Authier mine has any physical, biological or social impacts on the environment and communities. The studies are being undertaken by highly reputable independent consultants with extensive experience and expertise in the region.

A comprehensive base-line environmental study was completed at Authier in 2010 by environmental consultancy, Dessau. Since the Company's acquisition of the project in late 2016, all of the environmental studies have been updated, including:

- Creating a vegetation inventory, including wetlands and species with special status;
- Inventory of fish and fish habitats;
- Inventories of wildlife species with special status;
- Assessment of surface and ground water quality; and
- Hydrogeological and hydrological baseline conditions.

The work to-date has not identified any material environmental issues and finalisation of the environmental studies will be completed in the second quarter of 2018.

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The Company's development strategy is aimed at minimizing Authier's impact on the community and environment, and includes the following activities:

- Reagents used in the process plant will all be contained within the process plant compound and not discharged into the environment;
- All process plant, mine run-off and dewatering water will be contained within ponds and recycled through the process plant to minimise new water requirements. Process water will be 100% reused in the plant;
- The tailings produced from the processing operations will be filtered and dry stacked with waste rock from the mine, eliminating the need for a tailings dam, and keeping the project footprint small;
- The tailings and waste rock material are not acid generating and do not leach any heavy metals. The Company has been contacted by surrounding Municipalities enquiring about the use of mine waste rock for road base;
- Water in process ponds will be treated, if required, before any discharge into the environment;
- The scale of the mining operations are relatively small at around 1,900 tons per day which minimizes the impact on the community and environment; and
- Progressive site reclamation and remediation planning during operation and at the end of mine activities.

The public consultation process is ongoing and a second series of presentations will be held in June 2018 to present the outcomes of the environmental base-line and definitive feasibility studies, as well as strategies that will be adopted to protect the environment and minimise potential impact on the local community. During the public consultation, all relevant reports will be made available to the public and the Company will be available to respond to questions about the Authier Project. Feedback will be used to ensure the Authier project delivers positive impacts to the local community.

Permitting Update

The Company is progressing through all the activities required for permitting by both the Ministry of Energy and Natural Resources ("MERN") and the Ministry of Sustainable Development, Environment and the Fight against Climate Change ("MDDELCC"). The Company is targeting to have obtained all material permits required for the project by mid-2019.

Mining Lease

Mining lease applications are submitted to the MERN pursuant to Section 100 of the Mining Act (Québec). A mining lease can only be granted after the following conditions are fulfilled:

- Completion of a feasibility study (in progress and due for completion 2Q2018);
- Completion of a scoping and marketing study for processing within Quebec (in progress);
- Rehabilitation and restoration plans have been approved (nearly complete);

- The MDDELCC authorization required under the Environment Quality Act has been issued for the project (in progress); and
- A survey plan has been approved by the Office of the Surveyor-General of Québec (complete).

The initial term of the lease is 20 years. The lease may then be renewed no more than three times for a period of 10 years each time. After the third renewal, the MERN may renew the lease for periods of five years. Within 30 days after the lease is issued, the lessee must establish a monitoring committee to foster the involvement of the local community in the project as a whole.

Before a mining lease can be granted for a mine that has a production capacity of less than 2,000 metric tons per day, a public consultation initiated by the proponent must be held in the region in which the mine will be located.

MDDELCC Authorisation

The project is subject to various environmental laws and must be authorized by the MDDELCC pursuant to the Environment Quality Act. This permitting process involves the filing of various documents and environmental studies, including potential environmental impacts of the project and related monitoring and mitigation measures. The Company is targeting to submit its application to obtain the MDDELCC authorization in mid-2018, with the objective of obtaining this key authorization by mid-2019.

In March 2018, amendments to the Environmental Quality Act came into force allowing the Government, in exceptional circumstances, on the recommendation of the Minister of MDDELCC, to submit a project to the environmental impact assessment and review procedure if in the Government's opinion the project may raise major environmental issues and public concern warrants it. The Company believes its environmental studies have demonstrated that Authier will have minimal impact on the environment and community.

Corey Nolan, Chief Executive Officer, commented "*The presentation sessions were a great opportunity for our Canadian team to meet and exchange information with the local communities and the members of the Abitibiwinni First Nation. The Company is committed to maintaining a close relationship with all the stakeholders who will be impacted by the project. Furthermore, we strongly emphasise that the Company is fully committed to the protection of the environment and minimising its impact on the local community. The Company is looking forward to updating stakeholders in June on the outcomes of the studies and its plan for the future.*"



Figure 1: Sayona Canadian team meeting the local communities in La Motte.

For more information, please contact:

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Sayona Mining Limited is an Australian-based, ASX-listed (SYA) company focused on sourcing and developing the raw materials required to construct lithium-ion batteries for use in the rapidly growing new and green technology sectors.

The Company's primary focus is the development of the advanced stage Authier lithium project in Quebec, Canada. Authier mineralisation is hosted in a spodumene-bearing pegmatite intrusion with more than 31,100 metres of drilling in 176 diamond holes.

The Authier JORC (2012) compliant Ore Reserve and Mineral Resource estimates are tabulated below at a 0.45% Li₂O cut-off grade.

Authier JORC Ore Reserve Estimate (0.45% Li ₂ O cut-off grade)			
Category	Tonnes (Mt)	Grades (%Li ₂ O)	Contained Li ₂ O
Proven Reserve	4.9	0.99%	55,341
Probable Reserve	5.3	1.06%	64,363
Total Reserves	10.2	1.03%	120,098

Authier JORC Mineral Resources Estimate (0.45% Li ₂ O cut-off grade)			
Category	Tonnes (Mt)	Grades (% Li ₂ O)	Contained Li ₂ O
Measured	6.09	1.01%	61,509
Indicated	11.55	1.04%	120,120
Inferred	2.82	0.98%	27,636
Total Resources	20.46	1.02%	209,265

The Authier lithium deposit is amenable to open-cut mining methods, and processing using a crushing, grinding and flotation flowsheet to produce on average 96kt per year of 6% Li₂O concentrate over the projected 17 year mine life.

The Company is currently completing a Definitive Feasibility Study, due for completion in 2Q2018. During the second half of 2018, the Company will complete the permitting, offtake and financing with the plan to commence construction in the 1Q2019 and first production in 2020.

In addition, the Company controls a portfolio of lithium and graphite exploration projects in Western Australia.

Sayona Mining is committed to the local communities in which we operate, the environment and responsible management of natural resources and the safety of our people, suppliers and communities.

Please visit us as at www.sayonamining.com.au

Forward Looking Statements

This announcement may contain forward-looking statements. These forward-looking statements are based on Sayona's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Sayona, which could cause actual results to differ materially from such statements. Sayona makes no undertaking to subsequently update or revise the forward-looking statements made in the announcement, to reflect the circumstances or events after the date of that announcement.

Reference to Previous ASX Releases

This document refers to the following previous ASX releases:

- Expanded Authier JORC Resource, 12 April 2018
- Authier maiden JORC Ore Reserve estimate, 11 December 2017

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.